

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

128I0239

HOUSE BILL NO. 1220

Introduced by: Representatives Hargens, Bartling, Begalka, Burg, Deadrick (Thomas), Dykstra, Fryslie, Gillespie, Hennies, LaRue, Novstrup, Olson (Mel), Peterson (Jim), Rave, and Van Gerpen and Senators Duxbury, Dennert, Ham, Kooistra, Moore, Nachtigal, Olson (Ed), and Symens

1 FOR AN ACT ENTITLED, An Act to allow school districts to pay property insurance out of
2 capital outlay funds.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 13-16-6 be amended to read as follows:

5 13-16-6. The capital outlay fund of ~~the~~ a school district is a fund provided by law to meet
6 expenditures which result in or from the acquisition or lease of, or additions to, real property,
7 plant, or equipment. ~~Such an expenditure shall be~~ School districts may expend from their capital
8 outlay funds for land, existing facilities, improvement of grounds, construction of facilities,
9 additions to facilities, remodeling of facilities, ~~or for~~ the purchase or lease of equipment, or for
10 insurance on either property or equipment. ~~It may also be used~~ School districts may also expend
11 from their capital outlay funds for installment or lease-purchase payments for the purchase of real
12 property, plant or equipment, which have a contracted terminal date not exceeding twenty years
13 from the date of the installment contract or lease-purchase and for the payment of the principal
14 of and interest on capital outlay certificates issued pursuant to § 13-16-6.2.



1 ~~Any~~ A school district may pay any purchase of one thousand dollars or less ~~may be paid out~~
2 of the general fund. The total accumulated unpaid principal balances of such installment contracts
3 and lease-purchase and the outstanding principal amounts of such capital outlay certificates may
4 not exceed three percent of the taxable valuation. The school district shall provide a sufficient
5 levy each year under the provisions of § 13-16-7 to meet the annual installment contract,
6 lease-purchase, and capital outlay certificate payments, including interest.

7 A school district which contracts its student transportation may expend from the capital
8 outlay fund an amount not to exceed fifteen percent of the contract amount.

9 ~~The~~ A school district may use its capital outlay fund ~~may be used~~ to purchase textbooks and
10 instructional software. ~~The capital outlay fund may be used~~ and to purchase warranties on capital
11 assets if the warranties do not include supplies.